

City Saves Residents Money

Low Interest Rates Create Opportunity

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Thanks to falling interest rates, homeowners across the country have been able to refinance their homes and experience significant savings. Taking advantage of the economic climate to seek a better financial opportunity is a common goal for businesses and families. This goal is equally as significant in managing city funds for the benefit of residents.

While you may be aware of recent refinancing opportunities benefiting homeowners, you may not know that the City has systematically been refinancing bonds issued under various Mello-Roos districts in order to save residents money. Over the past five years, the City has refinanced all the Mello-Roos assessment districts within Rocklin such as Stanford Ranch CFD Nos. 2 and 3, CFD No. 4 in the Sierra College area, and as a result the taxpayers in the districts are experiencing substantial cost savings.

Recently, the City refinanced Mello-Roos Districts Nos. 6, 8 and 9, affecting a large portion of western Rocklin and secured about a 10% reduction in annual debt service costs. Generally, this translates to a savings of up to \$70 per household per year for those in CFD Nos. 6 and 8, Zones of Benefit 4 and 5. Residents in CFD Nos. 6 and 9, Zones of Benefit 1, 2, and 3, will have to wait a little longer until the commercial zoned properties are developed. Obviously, the savings won't buy a new swimming pool. But every dollar counts and the bottom line is that residents are able to filter more dollars into their family budget.

Specifically, Mello-Roos districts are created and bonds are issued to build infrastructure in newly developing areas. These bonds are sold to investors when the district is formed. Bond money is used to build important quality of life "infrastructure" including: streets, landscaping, sidewalks, street lights, sewers, water, and drainage. Landowners in the district pay a special tax which is used to pay debt service on (typically 20 to 25-year term) bonds.

The City of Rocklin has long since had a focused approach to conservative money management. Rocklin manages its budget just as many families do – saving money when times are good to protect needs in the future and taking advantage of opportunities to reduce costs. This approach to money management has earned the City an AA – rating from Standard & Poor's and Fitch Ratings. This is no small accomplishment and clearly demonstrates Rocklin's financial stability and commitment to providing quality public services at the lowest possible cost.

If you have questions, please contact us at 916.625.5000. General information can be accessed at www.rocklin.ca.us